

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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APR 20 2004

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT MAILING LABEL – MAKE CHANGES NECESSARY

W-02494A
Ashcreek Water Company
P. O. Box 182
Central AZ 85531

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) Ash Creek Water Company

Mailing Address P.O. Box 182

Central

(Street)

(City)

AZ

(State)

85531

(Zip)

928-428-5940

Telephone No. (Include Area Code)

N/A

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address N/A

Local Office Mailing Address Box 182

(Street)

Central

(City)

AZ

(State)

85531

(Zip)

928-428-5940

Local Office Telephone No. (Include Area Code)

N/A

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address N/A

MANAGEMENT INFORMATION

Management Contact: Robin Smith

(Name)

Manager

(Title)

956 Stratton Dr

(Street)

Safford

(City)

AZ

(State)

85546

(Zip)

928-428-5940

Telephone No. (Include Area Code)

N/A

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address N/A

On Site Manager: Robin Smith

(Name)

956 Stratton Dr

(Street)

Safford

(City)

AZ

(State)

85546

(Zip)

928-428-5940

Telephone No. (Include Area Code)

N/A

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address N/A

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Robin C. Smith
(Name)

956 Stratton Dr Safford AZ 85546
(Street) (City) (State) (Zip)

928-428-5940 N/A N/A
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: David C Kennedy
(Name)

818 E Osborn Road Suite 103 Phoenix, AZ 85014
(Street) (City) (State) (Zip)

602-287-0340 602-287-8767 N/A
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Has received Representation of Company

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input checked="" type="checkbox"/> Partnership (P) <u>LLC</u> | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input checked="" type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME Ash Creek Water CoUTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	650	—	650
302	Franchises	—	—	—
303	Land and Land Rights	1000	—	1000
304	Structures and Improvements	443	3325 3325	1122 1122
307	Wells and Springs	6520	0	6520
311	Pumping Equipment	6070	5767	303
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	1443	717	726
331	Transmission and Distribution Mains	64017	40188	23829
333	Services	—	—	—
334	Meters and Meter Installations	14,200	7376	6824
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	2000	1050	950
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	1700	755	945
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	98043	56175	41868

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Ash Creek Water Co

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	650	0	0
302	Franchises	—	—	—
303	Land and Land Rights	1000	0	0
304	Structures and Improvements	433	5	22
307	Wells and Springs	6526	0	0
311	Pumping Equipment	6070	5	303
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	1443	5	72
331	Transmission and Distribution Mains	64017	5	3200
333	Services	—	—	—
334	Meters and Meter Installations	14439	5	722
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	2000	5	100
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	17000	5	85
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	98282		4504

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME Ash Creek Water Co

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4763.81	\$ 3739.85
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1601.05	1500.00
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	3508.50	963.78
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 9872.00	\$ 6203.63
	FIXED ASSETS		
101	Utility Plant in Service	\$ 98,043	\$ 98,282
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	56175.54584	56175
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 43459	\$ 42107
	TOTAL ASSETS	\$ 41857.96	\$ 418310.63

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Ash Creek Water Co

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES	4370	
231	Accounts Payable	\$ 4370	\$ 4316
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1600	300
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 5970	\$ 4616
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 9475	\$ 9475
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	825	825
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 825	\$ 825
	TOTAL LIABILITIES	\$ 16270	\$ 14916
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 0	\$ 0
	TOTAL LIABILITIES AND CAPITAL	\$ 16270	\$ 14916

COMPANY NAME Ash Creek Water Co**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 33056	\$ 29120.16
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	TOTAL REVENUES	\$ 33056	\$ 29120
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 1800	\$ 6143.11
610	Purchased Water	—	—
615	Purchased Power	2490	1970.45
618	Chemicals	—	—
620	Repairs and Maintenance	3715	4473.45
621	Office Supplies and Expense	3584	1664.85
630	Outside Services	6112	5820.50
635	Water Testing	3436	3042.32
641	Rents	3898	1469.71
650	Transportation Expenses	877	59
657	Insurance – General Liability	—	—
659	Insurance - Health and Life	—	—
666	Regulatory Commission Expense – Rate Case	2000	0
675	Miscellaneous Expense	—	—
403	Depreciation Expense	4504	4504
408	Taxes Other Than Income	—	—
408.11	Property Taxes	1868	0
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 32290	\$ 29687.39
	OPERATING INCOME/(LOSS)	\$ 23 income	\$ —
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 23 income	\$ 2259 income
421	Non-Utility Income	—	—
426	Miscellaneous Non-Utility Expenses	—	—
427	Interest Expense	133	-133.77 exp
	TOTAL OTHER INCOME/(EXPENSE)	\$ 110 exp	\$ 119.00 exp
	NET INCOME/(LOSS)	\$ 867	\$ -78 loss

COMPANY NAME Ash Creek Water Co

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	3/1989			
Source of Loan	Back Very Wages Smith			
ACC Decision No.	—			
Reason for Loan	Back Wages			
Dollar Amount Issued	\$ 9475	\$	\$	\$
Amount Outstanding	\$ 9475	\$	\$	\$
Date of Maturity	N/A			
Interest Rate	6			
Current Year Interest	\$ 0	\$	\$	\$
Current Year Principle	\$ 9475	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 7429

Meter Deposits Refunded During the Test Year

\$ 22

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
621788	1	27		8	2	
621786	1.5	35		6	2	

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
	Nil	
	Nil	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
None			

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000	1		
10,000	1	2000	One

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	5 miles
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	74	546921	
FEBRUARY	74	474579	
MARCH	74	448690	
APRIL	75	789090	
MAY	76	827640	unknown
JUNE	76	1256780	
JULY	76	1129410	
AUGUST	76	136820	
SEPTEMBER	78	1044820	
OCTOBER	79	907070	
NOVEMBER	79	1035820	
DECEMBER	79	514650	
TOTAL		N/A	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes

(X) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

(X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. _____mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Ash Creek Water Co

YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. We overlook it, the 2003
property taxes will be paid in 2004

COMPANY NAME Ash Creek Water Co YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 29120.16
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 29120.16
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 20 2004

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Graham</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Robin C. Smith - Partner</u>
COMPANY NAME	<u>Ash Creek Water Company</u>

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 29,120

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 18,364.11
IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Robin C. Smith
SIGNATURE OF OWNER OR OFFICIAL
928-428-5940
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15th

DAY OF

COUNTY NAME

Graham

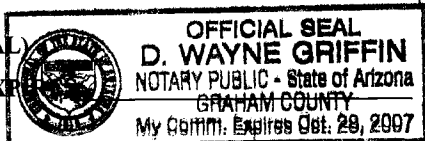
MONTH

April

2004

SIGNATURE OF NOTARY PUBLIC

(SEAL)
MY COMMISSION EXPIRES



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 20 2004

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Graham</u>	
NAME (OWNER OR OFFICIAL) <u>Robin C. Smith</u>	TITLE <u>Partner</u>
COMPANY NAME <u>Ash Creek Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2003
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 29120

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1836.41
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

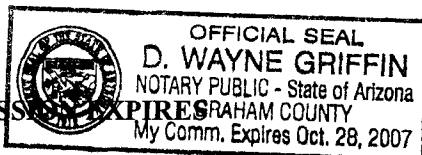
15th

DAY OF

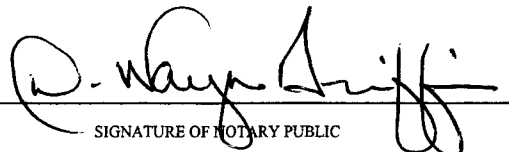
NOTARY PUBLIC NAME <u>D. Wayne Griffin</u>	
COUNTY NAME <u>Graham</u>	
MONTH <u>April</u>	, 20 <u>04</u>

(SEAL)

MY COMMISSION



X


SIGNATURE OF NOTARY PUBLIC